GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6065
ANSWERED ON:31.08.2001
ARREST UNDER FEMA/FERA
SHANKERSINH VAGHELA

Will the Minister of FINANCE be pleased to state:

(a) the number of arrests that have been made under Foreign Exchange Management Act (FEMA) since June 1, 2000 and Foreign Exchange Regulations Act from April 1 to May 31, 2000;

(b) the action taken by Government on the passing of detention orders on accused for alleged violation of Foreign Exchange Management Act (FEMA) underthe Conservation of Foreign Exchangeand Prevention of Smuggling Activities Act,1974 (COFEPOSA); and

(c) the consistant decision of the advisory board when reviewing of detention under (COFEPOSA) of such accused detained after June 1, 2000?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) : No arrests have been made under Foreign Exchange Management Act (FEMA),as there is no such provision in the ActUnder Foreign Exchange Regulations Act(FERA), 10 arrests had been made during the period from April 1 to May 31, 2000.

(b) The Conservation ofForeign Exchange & Prevention of SmugglingActivities Act, 1974 (COFEPOSA) is an independent Act which authorises the Detaining Authority to issue Detention Order, ifsatisfied, in respect to any person with a view to preventing him, inter-alia, from acting in any manner prejudicial to the conservation and augmentation of foreign exchange. This is purely an activity based provision which does not anywhere refer to FERA, 1973 or FEMA, 1999 or violation thereof.The Detention Orders are being issued under COFEPOSA Act, 1974 irrespective of the fact that FERA, 1973 has since been replaced by FEMA,1999 w.e.f 1.6.2000.

(c) : No such case has come up so far for review before the Advisory Board.